IN THE CIRCUIT COURT OF THE UNITED STATES

States for the District of Minnesota:
Now comes the United State's of America, by Milton D. Purdy, the United State's Attorney for the district of Minnesota, acting under direction of the Attorney-General of the United States, and brings this its proceeding by way of petition against the Northern Securities Company, a corporation organized and existing under the laws, of the State of New Jersey, the Great Northern Hailway Company, a corporation organized and existing under the laws of the State of Minnesota, the Northern Pacific Railway Company, a corporation organized and existing under sota, the Northern Pacific Railway Company, a corporation organized and existing under the laws of the State of Wisconsin, James J. Hill, a citizen of the State of Minnesota and a resident of St. Paul, and William P. Clough, D. Willis James, John S. Kennedy, J. Pierpont Morgan, Robert Bacen, George F. Baker and Daniel Lamont, citizens of the State of New York and residents of New York out, and on information and behef, complains and says:

The defendants, the Northern Pacific Railway Company and the Great No thern Railway Company, were, at the times hereinafter mentioned, and now are, common carriers, employed in the transportation of freight and employed in the transportation of freight and
passengers among the several States of the
United States and between such States and
foreign nations, and, as such couriers so employed, were, and are, engaged in trade and
commerce among the several States and with
foreign nations.

II

On and prior to the 13th day of November, 1901, the defendants, James J. Hill, William P. Clough, D. Willis James and John S. Kennedy, and certain other persons whose names are unknown to the complainant, but whom it prays to have made parties to this action when ascertained thereinafter referred to as James J. Hill and his associate stockholders), owned or controlled a majority of the capital stock of the defendant, the Great Northern Railway Company, and the defendants, J. Pierpont Morgan and Robert Bacon (members of and representing the banking firm of J. P. Morgan & Co. of New York city), George F. Baker and Daniel S. Lamont, and certain other persons whose names are unknown to the complainant, but whom it prays to have made parties to this action when ascertained thereinafter referred to as J. Pierpont Morgan and his associate stockholders), owned or controlled a majority of the capital stock of the defendant, the Northern Pacific Railway Company.

The Northern Pacific Railway Company and the Great Northern Railway Company, at and prior to the doing of the acts hereinafter complained of, owned or controlled and operated two separate, independent, parallel and competing lines of railway running east and west into or across the States of Wisconsin, Minnesota, North Dakota, Montana, Idaho, Washington and Oregon, the Northern Pacific system extending from Ashland, in the State of Wisconsin, and from Duluth and St Paul, in the State of Minnesota, through Helena, in the State of Montana, and Spokane, in the State of Washington, to Seattle and Tacoma, in the State of Washington, to Seattle and Tacoma, in the State of Washington, and Portland, in the State of Oregon; and the Great Northern system extending from Superior, in the State of Wisconsin, and from Duluth and St. Paul, in the State of Washington, to Everett and Seattle, in the State of Oregon, with a branch line to Helena, in the State of Munisosta, through Spokane, in the State of Washington, and to Portland, in the State of Oregon, with a branch line to Helena, in the State of Montana, thus furnishing to the public two parallel and competing transcontinental lines connecting the Great Lakes and the Mississippi River with Puget Sound and the Pacific Ocean.

At the times mentioned, these two railway systems, which will hereafter be referred to respectively as the Northern Pacific System and the Great Northern System, each of which, with its leased and controlled lines, in length, were the only transcontinental lines of railway extending across the northern tier of States west of the Great Lakes, from the Great Lakes and the Mississippi River to the Pacific Ocean, and were then engaged in active competition with one another for freight and passenger traffic among the several States and the Mississippi River to the Pacific Ocean, and were then engaged in active competition with one another for freight and passenger traffic among the several States and foreign countries, each system connecting at its eastern

minals, not only with the with lake and river steamers to other States and to foreign countries, and at its western terminals with sea-going vessels to other states. Territories and possessions of the United States and to foreign countries.

Prior to the year 1803, the Northern Pacific System was owned or controlled and operated by the Northern Pacific Railroad Company, a corporation organized and existing under certain acts and resolutions of Congress. During that year the company became insolvent and the line was placed in the hands of receivers by the proper courts of the I nited States. While in this condition, awaiting foreclosure and sale, an arrangement was entered into between a majority of the bond-holders of the Northern Pacific Railroad Company and the defendant, the Great Northern Systems and the placing of the practical control of the Northern Pacific and Great Northern Systems and the placing of the system in the hands of the defendant, the Great Northern Railway Company.

This arrangement contemplated the sale, under foreclosure, of the property and franchises of the Northern Pacific Railroad Company to a committee of the bondholders, who should organize a new corporation to be known as the Northern Pacific Railway Company, which was to become the successor of the Northern Pacific Railroad Company to a committee of the bondholders, one-half of the capital stock of the new company was to be turned over to the share-holders of the defendant the Great Northern Pacific Railway Company.

An agreement was to be entered into for the exchange of traffic at intersecting and connecting points and for the division of earnfung therefrom. The carrying out of this arrangement was to be entered into for the exchange of traffic at intersecting and connecting points and for the division of earnfung therefrom. The carrying out of this arrangement was to be entered into for the exchange of traffic at intersecting and connecting points and for the division of earnfung therefrom. The carrying out of this arrangement was to be entered into for the expanded the case of Pearsail vs. the Great Northern Railway Company which was decided where and competing lines of railway, and the giving to the defendant, the Great Northern Railway Company and the property o giving to the defendant, the treat North-Railway Company, a monopoly of all tra-in the northern half of the State of Mrs. sotar as well as of all transcontinental tra-north of the line of the Union Pacific, to detriment of the public and in violation the laws of the State of Minnesota detriment of the public and in violation of the laws of the State of Minnesota

Early in the year 1301 the defendants, the Great Northern and Northern Pacific Railway companies, acting for the purpose of promoting their joint interests, and in contemplation of the ultimate placing of the Great Northern and Northern Pacific systems under a common source of control, united in the purchase of the total capital stock of the Chicago, Burlington and Quincy Railway Company of Illinois, giving the joint bonds of the Great Northern and Northern Pacific Railway commanies, payable in twenty years from date, with interest at 4 per cent per annum, for such stock, at the rate of \$200 in bonds in exchange for each \$100 in stock, and in this manner nurchased and acquired about \$107,000,000 of the \$112,000,000 total capital stock of the Chicago, Burlington and Quincy Railway Company, or about as per cent thereof.

In this manner, at the time stated, the description of the chicago, the description of the chicago, the description of the chicago, Burlington and Quincy Railway Company, or about as per cent thereof. per cent. thereof.

In this manner, at the time stated, the defendants, the Great Northern and Northern Pacific Railway companies, secured control of the vast system of railway lines known as the Burlington System, about 8,000 miles in length, extending from St. Paul, in the State of Minnesota, where it connects with the Great Northern and Northern Pacific Railway systems, through the States of Minnesota, Wisconsin, and Illinois, to Chicago, in the State of Illinois, and from these two cities through said States and through the State of the States and through the States.

of Iowa, Missouri, Nebraska, Colorado, Souri Dakota, Wyoming and Mondata, to Omnov in the State of Illinoise, to Burlington and Des Moines, in the State of Iowa: to St Lonis Ransas City and St Joseph, in the State of Missouri: to Omeha and Lincoln, in the State of Nebraska; to Denver, in the State of We Golorado: to Chevenne, in the State of We oming, and to Billings, in the State of Mon-tana, where it again connects with the North

NORTHERN SECURITIES TEST.

THE GOVERNMENT BILL FILED AGAINST THE MERGER.

The Text of the Complaint That the Combination is Against the Sherman Law and the Prayer for the Issue of a Permanent Injunction in the Case.

WASHINGTON, March 10—This is the bill of equity filed in the United States Circuit Court for the District of Minne sota by the Government to test the validity of the Jorthern Securities merger and asking to, a permanent injunction against the Not thern Securities Company and Northern Pach Is and Great Northern nulroads from with a foreign training to the States of America, States of America, States of America, States of the States and States and Great Northern Natural Northern Pach Is and Great Northern Natural Northern Pach Is and Great Northern nulroads from with a foreign training to the States of America, States of America, Complany, The Northern Natural Natural Northern Natural N

tefore existing between said railway systems in said interstate and foreign trade or commerce, through the instrumentality and by the means following, to wit:

A holding corporation, to be called the Northern Securities Company, was to be formed under the laws of New Jersey, with a capital stock of \$400,000,000, to which, in exchange for its own capital stock upon a cervain basis and at a certain rate, was to be turned over and transferred the capital stock, of each of the defendant railway companies, with power in the holding corporation to vote such stock and in all respects to act as the owner thereof, and to do whatever it might deem necessary to aid in any manner such railway companies or enhance the value of their stocks.

In this manner the individual stockholders of these two independent and competing railway companies were to be eliminated and a fingle common stockholder, the Northern Securities Company, was to be substituted, the interest of the individual stockholders in the property and franchises of the two railway companies was to terminate, being thus converted into an interest in the property and franchises of the Northern Securities Company.

The individual stockholders of the Northern Securities Company.

The individual stockholders of the Northern Securities Company.

curities Company.
The individual stockholders of the Northern

The individual stockholders of the Northern Pacific Azalway Company were no longer to hold an interest in the property or draw their dividends from the earnings of the Northern Pacific system, and the individual stockholders of the Great Northern Railway Company were no longer to hold an interest in the property or draw their dividends from the earnings of the Great Northern system, but, having censed to be stockholders in the railway companies and having become stockholders in the holding corporation, both were to draw their dividends from the earnings of both systems, collected and distributed by the holding corporation.

In this manner, by making the stockholders of each system jointly interested in both systems, and by practically pooling the earnings of both systems for the benefit of the former stockholders of each system in a common body, to wit, the holding corporation, with not only the power but the duty to pursue a policy which would promote the interests, not of one system at the expense of the other, but of both with the expense of the public, all indusement for competition between the two systems was to be removed, a virtual consolidation effected and a monopoly of the interestate and foreign commerce formerly carried on by the two systems a sindependent competitors essablished.

In pursuance of the unlawful combination or conspiracy aforesaid, and solely as an instrumentality through which to effect the purposes thereof, on the 18th day of November, 1901, the defendant, the Northern Securities Company, was organized under the general laws of the State of New

effect the purposes thereof, on the 13th day of November, 1901, the defendant, the Northern Securities Company, was organized under the general laws of the State of New Jersey, with its principal office in Hoboken, in said State, and with an authorized capital stock of \$400.000. A copy of the articles of incorporation of such company is attached to and made a part of this petition. Among the purposes and powers designedly inserted in said articles is the purpose and power, not only to "purchase" and "hold" shares of the empital stock of any corporation or corporations," under which said company wromafully claims and is exercising the power to acquire by exchange and hold the stock of the Northern Pacific and the Great Northern Railway companies. and hold the stock of the Northern Pacific and the Great Northern Railway companies, but the purpose and power, while owner thereof, to exercise all the rights, powers and privileges of ownership: that is, to vote such stock, collect the dividends thereon, and in all respects act as a stockholder of such railway companies, and the purpose and power to aid in any manner any corporation " of which any bonds " or stock are held, " and to do any acts or things designed to protect, preserve, improve or enhance the value of any such bonds " or stock," meaning thereby to do whatever it may deem necessary to aid in any manner the Northern Pacific and the Great Northern Railway companies, or to preserve or enhance the value of their stocks or bonds.

VIII,

VIII.

In further pursuance of the unlawful combination or constancy aforesaid, and solely as an instrumentality through which to effect the purposes the cof, on or about the 14th day of Novembet, 1991, the defendant, the Northern Securities Company, was organized by the election of a board of directors and the selection of a president and other officers, the defendant James J. Hill, the president and controlling power in the management of the defendant, the Great Northern Railway Company, being chosen a director and president thereof; and thereupon, in further putsuance of the unlawful combination or conspiracy aforesaid, the defendants James J. Hill and his associate stockholders of the defendant, the Great Northern Railway Company, a sanged and transferred to the defendant, the Northern Securities Company, a large amount of the capital stock of the Great Northern Railway Company, the exact amount being unknown to complainant, but constituting a controlling interest therein, and complainant believes a majority thereof, upon the agreed basis of exchange of \$180, VIII.

On Saturday, March 15, if not before, the

## 40 Cent

subscription to the stock of the

MERGENTHALER-HORTON BASKET MACHINE CO.

will be closed, and the price advanced to 50 cents a share. This is

positive. The subscriptions at the present price (40 cents a share, par value \$1.00) may be closed any day this week without notice. Application should be made without delay by those desiring shares of the 40 cent allotment.

The New York Office of the Company is 287 Broadway. Telephone, No. 3,716 Franklin.

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Are Worn By Correct Dressers. Spring Styles Now Ready. Best in Quality. Lowest in Price.

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·

holders of the Northern Pacific Railway Company, assigned and transferred to the defendant, the Northern Securities Company, a large majority of the capital stock of the defendant, the Northern Pacific Railway Company, the exact amount being unknown to complainant, upon the agreed basis of exchange of \$115, par value, of the capital stock of the said Northern Securities Company for each share of the capital stock of the Northern Pacific Railway Company; and thereafter, in further pursuance of the unlawful combination or conspiracy aforesaid, the defendant the Northern Securities Company offered to the stockholders of the defendant railway companies, to issue and exchange its capital stock for the capital stock of such railway companies, upon the basis of exchange aforesaid, no other consideration being required.

In further pursuance of the unlawful combination or conspiracy aforesaid, the defendant the Northern Securities Company, of the Northern Securities Company of the Northern Securities Company,

stock of exchange aforesaid, no other consideration being required.

In further pursuance of the unlawful combination or conspiracy aforesaid, the defendant, the Northern Securities Company, has acquired an additional amount of the stock of the defendant railway companies, issuing in lieu thereof its own stock upon the basis of exchange aforesaid, and is now holding, as owner and proprietor, substantially all of the capital stock of the Northern Pacific Railway Company, and, as complainant believes and charges, a majority of the capital stock of the Great Northern Pacific Railway Company, but if not a majority, at least a controlling interest therein, and is voting the same and is collecting the dividends thereon, and in all respects is acting as the owner thereof in the organization, management, and operation of said railway companies, and in the receipt and control of their earnings, and will continue to do so, unless restrained by the order of this court. By reason whereof, a virtual consolidation under one ownership and source of centrol of the Great Northern and Northern Pacific Railway Systems has been effected, a combination or conspiracy in restraint of the trade or commerce among the several States and with foreign nations formerly carried on by the defendant railway companies independently and in free competition one with the other has been formed and is in operation, and the defendants are thereby attempting to monopolize and have monopolized, such interstate and foreign trade or commerce, to the great and irreparable damage of the people of the United States in derozation of their common rights, and in violation of the act of proper trade or commerce against unlawful restraints and monopolies.

IX.

If the defendant, the Northern Securities Company, has not acquired a large majority of the capital stock of the defendant, the Great Northern Railway Company, it is because the individual defendants named, and their associates in the combination or conspiracy charged in this petition, or some of them, since it became apparent that the legality of their corporate device for the merger of the stock of competing railway companies through the instrumentality of a central or holding corporation, would be assailed in the courts, have purposely withheld, or caused to be withheld, a large amount of the capital stock of said railway company from transfer for

The complainant avers that saw withheld or not transferred to the Northern withheld or not transferred to the Northern Securities Company, is now in the hands of some person or persons unknown to the complainant friendly to and under the influence of the individual detendants named and their associates aforesaid, or some of them, and will either not be voted, or be voted in harmony with the Great Northern stock held by the Northern Securities Company, until the question of the lexality of this corporate device for merging competing railway lines shall be finally and indically determined, when such stock will either be turned over to the Northern Securities Company or continue to be held and voted outside said company but in harmony with the side said company but in harmony with the Great Northern stock held and voted by it as may at the time seem advisable.

In further pursuance of the unlawful combination or conspiracy aforesaid, the Northern Securities Company (subject, it may be, to the conditions stated in the next preceding paragraph) is about to and will, unless restrained by the order of this court, receive and acquire, and hereafter hold and control as owner and proprietor, substantially all of the capital stock of the defendant railway companies, issuing in lieu thereof its own capital stock to the full extent of the authorized issue, of which, upon the basis of exchange aforesaid, the former stockholders of the Great Northern Hailway Company have received or will receive and hold about 55 per cent, thereof, the balance going to the former stockholders of the Northern Pacific Railway Company. ille Railway Company. XI.

No consideration whatever has existed, or will exist, for the transfer as aforesaid of the stock of the defendant railway companies from their stockholders to the Northern Securities Company, other than the issue of the stock of the Northern Securities Company to them in exchange therefor, for the purpose, after the manner, and upon the basis aforesaid.

The defendant, the Northern Securities Company, was not organized in good faith the defendant, the Northern Securities in pany, was not organized in good faith purchase and pay for the stocks of the sat Northern and the Northern Pacific llway Companies. It was organized solely incorporate the pooling of the stocks of dempanies and to carry into effect the awful combination or conspiracy afored. The Northern Securities Company was depository custodian holder and unlawful combination or conspiracy afforesaid. The Northern Securities Company
is a mere depository, custodian, holder, and
truster of the stocks of the Great Northern
and the Northern Facific Railway companies,
and its shares of stock are but beneficial
certificates issued against said railroad
stocks to designate the interest of the holders in the pool. The Northern Securities
Company does not have and never had any
capital sufficient to warrant such a stupendous operation. Its subscribed capital was
but \$30,000, and its authorized capital was
but \$30,000,000 is just sufficient, when all issued,
to represent and cover the exchange value
of substantially the entire stock of the Great
Northern and Northern Pacific Railway
companies, upon the basis and at the rate
agreed upon, which is about \$127,000,000 in
excess of the combined capital stock of the
two railway companies taken at par.

2.11 If the Government fails to prevent the carying out of the combination or conspiracy
foresaid, and the defendant, the Northern
lecurities Company, is permitted to receive
and hold and act as owner of the stock of the
forthern Pacific and Great Northern Railway companies as aforesaid, not only will a
irrual consolidation of two competing transsontinental lines, with the practical pooling
of their earnings, be effected, and a monopoly
of the interstate and foreign commerce fornerly carried on by them as competitors be
reated, and all effective competition between
uch lines in the carrying of interstate and
oreign traffic be destroyed, but thereafter,
o all desiring to use it, an available method
will be presented, whereby, through the corsorate scheme or device aforesaid, the act of
longress of July 2, 1890, entitled "An act to
ovetect trade and commerce against unla wful
estraints and monopolies," may be circum-If the Government fails to prevent the carrefect trade and commerce against unlawful estraints and monopolies," may be circum-ented and set at naught, and all transcon-inental lines, indeed the entire railway sys-ms of the country, may be absorbed, merged, and consolidated, thus placing the public at he absolute mercy of the holding corpora-

In furtherance of the purpose and object of the unlawful combination or conspiracy aforesaid to monopolize or attempt to monopolize the trade or commerce among the several states, and between such States and foreign countries, formerly carried on in free composition by the defendants, the Northern Pacific and Great Northern Railway companies, and o place a restraint thereon, the individual infendants named and their associates stock-holders of the defendant railway companies, may combined or conspired with one another and with other persons (whose names are makenown to the complainant, but whom it cays to have made parties to this action shen ascertained) to use and employ, in addition to the corporate scheme or device of oresaid, and in aid thereof, various other achones, devices, and instrumentailities, the regise details of which are at present instrument to the count when ascertained, by means of which, unless prevented by the order of this sourt, the object and purpose of the unlawful

PRAYER.

In consideration whereof, and inasmuch as adequate relief in the premises can only be obtained in this court, the United States of America prays your honors to order, adjudge and decree that the combination or conspiracy hereinbefore described is unlawful, and that all acts done or to be done in carrying it out are in derogation of the conspiracy hereinbefore described is unlawful, and that all acts done or to be done in carrying it out are in derogation of the common rights of all the people of the United States and in violation of the act of Congress of July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies," and that the defendants and each and every one of them, and their officers, directors, stockholders, agents and servants, and each and every one of them, be perpetually enjoined from doing any act in pursuance of or for the purpose of carrying out the same, and, in addition, that the several defendants be respectively enjoined as follows:

First—That the defendants, the Northern Securities Company, its stockholders, officers, directors, Executive Committee and its agents and servants, and each and every one of them, be perpetually enjoined from purchasing, acquiring, receiving, hoiding, voting (whether by proxy or otherwise), or in any manner acting as the owner of any of the shares of the capital stock of either the Northern Pacific Railway Company or the Great Northern Recurities Company, and that a mandatory injunction may issue requiring the Northern Securities Company to recall and cancel any certificates of stock issued by it in purchase of or in exchange for any of the shares of the capital stock of either of said railway companies. Surrendering in return therefor to the holders thereof the certificates of stock in the respective railway companies in lieu of which they were issued.

Second—That the defendant, the Northern Pacific Railway Company, its stockholders,

way companies in lieu of which they were issued.

Second—That the defendant, the Norther n Pacific Railway Company, its stockholders, officers, directors, agents and servants and each and every one of them, be perpetually enjoined from in any manner recognizing or accepting the Northern Securities Company as the owner or holder of any shares of its capital stock, and from permitting such company to vote such stock, whether by proxy or otherwise, and from paying any dividends upon such stock to said company or its assigns, unless authorized by this court, and from recognizing as valid any transfer, mortgage, bledge or assignment by such company of such stock, unless authorized by this court. Third—That the defendant, the Great Northern Railway Company, its stockholders, officers, directors, agents and servants, and each and every one of them, be perpetually enjoined from in any manner recognizing or accepting the Northern Securities Company as the owner or holder of any shares of its capital stock, and from permitting such company to vote such stock, whether by proxy or otherwise, and from paying any dividends upon such stock to said company or its assigns, unless anthorized by this court, and from recognizing as valid any transfer, and from recognizing as valid any transfer, and from recognizing as assignment by such court, and from recognizing as valid any transfer, and from paying any dividends upon such stock to said company or its assigns, unless anthorized by this court, and from recognizing as valid any transfer, and transfer, and transfer, and from paying any dividends upon such stock to said company or its assigns, unless anthorized by this court, and from recognizing as valid any transfer, and transfer and tra

capital stroke of the defendant railway companies, or the competing railway systems operated by them, or the competitive interstate or foreign trade or commerce carried on by them, under the control, legal or practical, of the defendant, the Northern Securities Company, or of any person or persons, or association or corporation, acting for or in lieu of said company, in the carrying out of the unlawful combination or corspiracy described in said paragraph.

The United States brays for such other and further relief as the nature of the case may require and the court may deem proper in the premises.

To the end, therefore

and further relief as the nature of the case may require and the court may deem proper in the premises.

To the end, therefore, that the United States of America may obtain the relief to which it is justly entitled in the premises, may it please your honors to grant unto it writs of subpeasa direct to the said defendants, the Northern Securities Company, the Northern Pacific Railway Company, the Great Northern Railway Company, James J. Hill, William P. Clough, D. Willia James, and John S. Kennedy, and their associate stockholders of the Great Northern Railway Company, sa their names may become known to complainant and the court be advised thereof, J. Pierpont Morgan, Robert Bacon, George F. Baker and Daniel S. Lamont, and their associate stockholders of the Northern Pacific Railway Company, as their names may become known to complainant and the court be advised thereof, and the persons referred to in Paragraph XIII hereof, as their names may become known to complainant and the court be advised thereof, and to each of them, commanding them, and each of them, such order or decree as the court may make in the premises; and that, pending the final hearing of this case, a temporary restraining order may issue enjoining the defendants and their stockholders, directors, officers, agents, and servants as hereinbefore praved.

MILTON D PURDY,

Attorney-General of the United States.

of Minnesota
PHILANDER C KNOX.
Attorney-depend of the United States
JOHN K, RICHARDS.
Solicitor-General of the United States

Bequests of Sophia E. Beach.

Under the will of Sophia E. Beach, who bequests are made: The poor of Calvary parish of the Protestant Episcopal Church, \$5,000; Samaritan Home for the Aged, \$5,000; Society for the Relief of the Desti-titute Blind, \$3,000; Home for Incurables, \$3,000; Society of St. Johnland, \$1,000; N. Y. P. E. Mission, \$1,000, and Home for Old Men and Aged Couples, \$1,000. The resi-duary estate goes to a sister, Emily Chamduary estate goes to a sister, Emily Cham-berlain of 111 West Forty-second street.

### JOHANN HOFF'S EXTRACT

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The state of the s

CONTRACTOR OF THE PROPERTY OF

BY MANHATTAN STATE HOSPITAL BOARD OF MANAGERS.

Why City Quarters Were Maintained-Reports Made at Monthly Meetings
-Frauds in Purchases Explained - Laundry Work Done in Sanitary Way.

The Board of Managers of the Manhattan State Hospital has issued a statement in answer to the charges of Gov. Odell, which they consider to affect themselves directly. "It is a source of profound regret," says this statement, "that the Governor should have given publicity to accusations affecting the discharge of duty on the part of State officials, without investigation to substantiate them, and should have constituted himself both accuser and judge."

The Governor's charges are taken up seriatim. The first concerned the maintenance of quarters in the city at \$2,400 a year, instead of meeting "at the hospital itself." To this the managers say:

itself." To this the managers say:

If the Manhattan State Hospital were one institution in one place, the Governor's criticism might be pertinent. But this is not the fact. It is not one, but a system of hospitals. Until recently the Board of Managers had under its charge four large institutions, widely separated from one another—at Central Islip, and on Hart's Island, Ward's Island and Blackwell's Island—all under the general title of the Manhattan State Hospital—two of these a two hours' journey by rail and boat from New York city, and two on Islands difficult of access. Their population has at times been over 7,000 patients and 1,000 employees. Would it have been practicable for the board to hold its meetings, which frequently require the attendance of thirty to forty people, at any one of these places?

The Governor's second charge was that

The Governor's second charge was that \$60,000 was spent in unauthorized purchases through a fraudulent system, which chases through a fraudulent system, which any office boy should have detected," and that \$7,000 of this sum never was accounted for. The managers reply that the sums were \$48,642.48 and \$2,722.22, instead of \$80,000 and \$7,000; that most of the supplies were needed and would have been purchased anyway, and all so hought were used any that the manager. so bought were used, and that the mar so bought were used, and that the man-agers were deceived by an unfaithful steward, who falsified and substituted vouchers and used the superintendent's certificates twice over. This was a man who had been employed a long time by the State Comptroller and the Lunaci

the State Comptroller and the Lunacy Commission, and whose name was at the head of the civil service list.

The third charge is the old one, which has been answered already, that there are no entries in the visiting book of the Manhattan State Hospital at any of its branches back of 1898. Instead of making such entries the managers presented debranches back of 1898. Instead of making such entries the managers presented detailed reports at the monthly meetings, a method they found to be better than entering criticisms in an open book which the employees could inspect.

The managers say that the Governor's general charges of extravagance have no present application, but belong to a time when the reckless prodictions.

belong to a time when the reckless prodi-gality of uncontrolled hospital boards brought about the creation of a Lunacy Commission, and the transferience to them of full financial power. No board since the appointment of this board has had a dollar to spend, ex-cept as granted, with minute directions, by the Lunacy Commission.

The charge about the laundry machines that deprived patients of work and amusenent halls that cost money is considered

again:

Washing machines are required for sanitary reasons, if for no other. In one of the hospitals alone the average number of pieces laundered every month is 283,600, the ironing of these being done almost entirely by hand by patients. One amusement hall has been arranged by this board, which is used on Sunday for religious purposes, at a cost of \$500 to the State. This is the only structure of the kind completed in its time.

In conclusion the statement of the man-

The Manhattan State Hospital Board does not contend that the law, nor the board's fulfilment of it, has been free from imperfections; but it does deny with emphasis and with a sense of official injury the charges made by Gov. Odell, both in general and in particular.

### PRIVATE FIRE ALARM HEARING. point to-day in her legal battle for his Other Concerns Tell the Mayor They Want | wealth, when the Commissioners appointed by the Probate Court to pass upon all of

Mayor Low gave a hearing yesterday o Col. Joel B. Erhardt and others interested in the Manhattan Fire Alarm Company who have protested because Fire Commissioner Sturgis revoked the license granted to the company in 1895 to connect its wires with the alarm boxes of the de-

Col. Erhardt said that the fire underwriters gave rebates on all buildings using the company's system and that the effect of Mr. Sturgis's act would be to destroy the business of the company. He would present a petition signed by steamship companies and other property owners using the alarms asking that the system

President Stover of the Gamewell Fire Alarm Company and Treasurer of the Manhattan company and Mr. Hall of the Board of Fire Underwriters urged that the system should be retained. Representatives of other fire alarm con-

cerns opposed the renewal of the Manhat-tan's license contending that the privilege of connecting with the department's boxes should be let by public contract. Carlisle Norwood, a lawyer, spoke along similar lines and intimated that from his experience with the Manhattan company there had in the past been cooperation between the company and the Fire Department. The hearing was adjourned until 10:30 A. M. next

TABLET FOR THE ST. PAUL. Commemorating Her War Service as Cruiser and Scout.

A tablet commemorative of the service of the American liner St. Paul in the Spanish-American War as scout and cruiser will be presented to the ship to-day by a committee of the Commercial Club of St. Paul. eft an estate of \$100,000, the following On the bronze plate accompanying the tablet is this inscription:

> This tablet commemorates the services of the American Liner "St. Paul," while commanded by Capt Chas. D. Sigsbee, U. S. N., formerly Captain of the United States Battleship Maine, It was designed by Edith H. Ogden of St. Paul, Minn., and cast by students of the St. Paul Mechanics Art School. The metal used was taken from Spanish guns and from the sunken U. S. Merrimac and Spanish vessels, hamely; Restormel, the Terror and the Maria Theresa, It was recast by the Roman Bronze Company of New York.
>
> Presented by the Commercial Club of St. Paul, Minn., and here installedMarch 11, 1802. This tablet commemorates the ser-

The winds and the waters conspire To spread her invincible name.

The tablet will be unveiled by Miss Anita E. R. Furness of St. Paul and presented by the Hon. Henry A. Castle to Capt. Jameson, commander of the St. Paul. There will be addresses by United States Senator Moses E. Clapp of Minnesota, Capt. Charles D. Sigsbee, the Hon. F. C. Stevens and Major-Geograf, Brooks. Sigsbee, the Hot General Brooke.

Public Bathhouses.

The Health Committee of the Aldermen gave a public hearing yesterday on the proposal to issue \$300,000 of corporate stock o build public bathhouses in the Fourth, Eighth and Thirteenth Assembly districts. is understood that the committee will report favorably.

Wanted, a Code of Ordinances.

MCorporation Counsel Rives in a communication sent to City Clerk P. J. Scully vesterday urged that a committee of the Aldermen should be appointed without delay to codify the city ordinances, which, he says, are in a chaotic state.



3 OF THE 5 SENSES

KRANICH & BACH.

**EAR**...This piano gratifies the ear by its exquisite tone quality, power and gradations of effect. TOUCH... It is most satisfactory to the touch; the feeling of responsiveness, control, dependence. ing of responsiveness, control, dependence, elasticity—as soon as the keys are depressed you know the action is unusual. Perfect.

EYE ... This piano charms the eye by its artistic lines, the rare and almost priceless wood in its case and the superlative height of its finish. It is truly an

ART PIANO.

Compare it with any of the few strictly first-class instruments—tonal effect, appearance, guarantee, EVERYTHING—none are superior to ours; then compare prices, and the episode is closed. It is a Kranich & Bach.

PIANO PRIMER ILLUSTRATED HISTORY. Autographs and Opinions of Concert Pianists, Etc.

WHITEHEAD'S BACKERS OUIT.

Bridgeport Flying Machine Man Going Along Again Without Financial Aid.

BRIDGEPORT, Conn., March 10.-Gustave Whitehead, who is improving a flying machine with which he intends to compete next year for the \$100,000 prize offered by the management of the St. Louis Exposition, for a successful demonstration of a dirigible balloons, airship or flying machine, no longer has the financial support of the several New York capitalists, who have

been backing him for the past six months. Until recently, Whitehead has had the use of a specially equipped machine shop in the West End and a force of skilled mechanics to assist him in his experiments. Whitehead did not get along very well with the agent of the men who furnished him with capital. A series of quarrels culminated recently in a complete withdrawal of funds. In consequence of this Whitehead is back again in his old shed in the rear of his home on Pine street. working arduously on his new flying

"I am not discouraged," said Whitehead, to-day.

He would not discuss his quarrel with the representative of the men who have furnished him with capital. He says that he will be ready with a flying machine to compete for the Exposition prize. He ha the assistance evenings of several exper-enced machinists who are employed it local factories. They are interested in

him and are giving him their services gratis, until he can secure more capital. Whitehead says that he will make an effort to fly to New York in May and will accomplish it if his machine breaks down a dozen times in the attempt.

HELEN POTTS GAINS A POINT. Claim for the Gilman Estate Not Passed

Upon by the Commissioners. BRIDEPORT, Conn., March 10 .- Miss Helen Potts of New York, formerly Mrs. Helen Blakely Hall, who is claimant to the entire estate of George F. Gilman, the late millionaire tea merchant, on the ground that she was his adopted daughter, won her first the claims against the eccentric tea mer chant's estate, conceded the contention of her counsel, Attorneys Hatch and Weeks offNew York, that they have no jurisdiction

over her claim to the residue of the estate. The session to-day was to have been the final one but at the request of Daniel Daven-port, associate counsel in Connecticut for Miss Potts, an adjournment was taken until Monday, March 24, at which time the Commissioners will announce their decisions regarding the other claims against thees-

tate.
The Commissioners did not pass upon the specific claim of Miss Potts to \$10,000 in the First National Bank of this city. She says has documentary proof of her claim to this deposit. When she presented this to the bank some time ago, it was not honored because of the litigation. Mr. Davenport did not desire to have the Commissioners pass upon this claim, until after he had a conference with Attorneys Hatch and Weeks, Miss Potts's New York counsel, as to the advisability of an appeal, should the Commissioners rule adversely upon the question of jurisdiction.

BRAZIL'S NEW PRESIDENT.

Dr. Paula Rodrigues Alves, Republican, Defeats Dr. Ubaldino de Amaral.

A. Fontoura Xavier, Brazilian Consul-General, received news yesterday of the election of Dr. Francisco de Paula Rodrigues Alves, as President of Brazil. Dr. Rodrigues Alves is a native of San Paulo and has been the Governor of that rich and progressive State. He was Minister and progressive State. He was minister of Finance in the Cabinets of President Peixoto and Moraes and a federal Senator from San Paulo.

The President-elect is a member of the

Doyers street were fined \$2 each by Magistrate Deuel in the Centre street police court vesterday. Dr. Won Get, who is an im-portant factor in the life of Chinatown, paid the fines. He naïvely explained that the prisoners were all cousins who were

playing pigou to pass away the time.

Now, from speeding the parting guest, let's welcome the coming Spring.

We are prepared in Suits, Overcoats and all that makes the well dressed man. Are you?

Spring stock of Hats now

### Smith, Gray & Co.

BROADWAY AT 31ST ST. Brooklyn: Broadway at Bedford Ave.; Fulton St. at Flatbush Ave.

SON HOLAHAN LOSES.

Court Says He Sold Out of His Firm-Wayward Father in Court.

An action of Frank M. Holahan, son of Maurice Holahan, formerly Commissioner of Public Improvements, to reform a bill of sale of his interest in the firm of Holahan, Butferly & Greene so as to make it merely a pledge to secure the payment of certain obligations amounting to \$8,500, was dismissed by Justice Truax vesterday in the Supreme Court on the pleadings. There was no statement of fraud or mistake in the complaint and the Court held that the agreement could not be reformed on the allegations made of an intent to make a

different contract. Ex-Commissioner Holahan, who has been the butt of fun because when he was caught in a gambling raid he said he was looking for his wayward boy, seemed to be on good terms with the boy in court yesterday The defendants said of the plaintiff in

their answers:

The plaintiff wilfully and wrongfully neglected the business of the copartnership and continuously absented himself from the office of the firm and wasted funds of the copartnership and become indebted to the defendants and various persons in large sums of money and by reason of the peculations and habits of gambling of the plaintiff, the said Frank A. Helahan had become absolutely insolvent, all of which acts did cause the defendants great loss and plays to the reputation and financial standing of the said copartnership.

MRS. REYNAL LEFT \$5,860,375. Children Get Each \$750,000 and Life

Share in \$3,500,000. WHITE PLAINS, March 10. Surrogate Silkman signed to-day the order fixing the transfer tax on the estate of Nathalie F. Reynal. The decree is signed on the report of Francis M. Carpenter, the appraiser, who reports that the gross personal estate left by Mrs. Reynal was \$3,068,375 and the real estate \$2,792,000. The State

tax is \$24,573.86. This appraisal fixes the amount left out-This appraisal fixes the amount left outright to each of Mrs. Reynal's children as follows: Mrs. Mathide Thebaud. \$735.976; Nathaniel C. Reynal, \$739.188; Engene Sugny Reynal \$758.006. After a number of minor bequests the residuary estate, amounting to about three and a half millions, is left in trust for the benefit of the children for life. And the will gives the children the power to designate who shall succeed them as beneficiaries.

and progressive State. He was Minister of Finance in the Cabinets of President Peixoto and Moraes and a federal Senator from San Paulo.

The President-elect is a member of the Republican party, and his election is considered a great triumph because of the recognized ability of his opponent, Dr. Ubaldino de Amaral. Dr. Rodrigues Alves will take office on Nov 15, the day of the proclamation of Brazil's independence. The term of office is four years.

Just a Quiet, Cousinty Card Game.

The eighteen Chinamen who were caught gambling in a Sunday afternoon raid on 17 Doyers street were fined \$2 each by Magis-

Aldermen Control Explosives.

Corporation Counsel Rives decided yesterday that the Aldermen have full power to regulate by ordinance the storage of

# What's the difference?



The GENUINE The IMITATION is a certain cure for all disorders arising from impaired digestion and is used by physicians in the treatment of gout, rheumatism and dyspepsia.

NATURAL ALKALINE WATER

Insist on having the Genuine

is charged water containing absolutely no medicinal properties and is manufactured with marble dust and sulphuric acid.

ANALYSIS made by FRASER & CO., 5th Avenue, N. Y., shows SYPHON Vichy to be only Croton water

TATIET

charged with gas.

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